

#	Item	Issue	Description	Staff Recommendation	Language	Comments
CHILD DEVELOPMENT						
1	6110-493 6110-196-0001	<i>May Revision:</i> Reappropriation Item After School Safety Program (Issue 372)	Reappropriate \$300,000 for evaluation of After School Program. Evaluation components proposed by Admin. in budget language are not consistent with evaluation that is in statute and was negotiated during the policy process	Approval of reappropriation; adoption of revised language referencing back to evaluation components established in statute	Revised BBL	Administration uses Budget Bill Language to alter the specific requirements (as contained in statute) for evaluating the After School Program . Staff notes that if the Administration is interested in revisiting this issue, it should do so outside of the May Revision process.
2	6110-196-0001	<i>January Budget:</i> Child Development Programs; State Median Income Adjustment	Governor's Budget freezes the income level at which families are eligible for subsidized child care.	Delete language from budget bill, thereby allowing for an increase in the State Median Income threshold	No	Issues previously heard by committee on March 13th
3	6110-101-0620	<i>May Revision:</i> Fully Fund CalWORKs Stage 2 and Stage 3 Child Care (Issue 376)	May Revision proposed to fund \$17.7 million of CalWORKs Child Care with funds from the Child Care Facilities Revolving Fund	Approve May Revision	Per May Revision	New Issue
4	6110-196-0001	<i>New Issue:</i> Child Care Quality Plan	Language re: public hearing and input surrounding development of the federal child care quality plan	Approve New Budget Bill Language	BBL	Issue previously heard by committee on March 13th
5	6110-196-0001	<i>New Issue:</i> Budget Bill Intent Language	In the past, the Legislature has expressed its intent, via language in the Budget Act, to fully-fund Stage 3 child care services	Adopt Budget Bill Language Stating Intent of the Legislature to fully fund CalWORKS Stage 3 Child Care Services	BBL	Issues previously heard by committee on March 13th
6	6110-196-0001	<i>New Issue:</i> Prevention of Fraudulent Payments in Child Care	At the request of this committee, staff sought to better define the issue of child care fraud and outline potential first steps for addressing fraud prevention. Staff recommendation suggests an initial step.	Adopt placeholder Trailer Bill language aimed at requiring CDE contracted providers to develop internal controls for and risk assessment	placeholder TBL	Issue brought before committee at March 13th hearing

#	Item	Issue	Description	Staff Recommendation	Language	Comments
7	6110-196-0001	<i>January Budget:</i> Preschool "Wrap Around" Care	Governor's Budget continues to provide \$5 million (consistent with current statute) for "wrap-around" care; however wrap around services are only available for children/families participating in the new preschool expansion program (PreKindergarten and Family Literacy Program).	Committee adopt revised Budget Bill Language broadening the use of the \$5 million in wrap-around dollars for all state preschool programs	Revised BBL	Issue previously heard by committee on March 13th

#	Item	Issue	Description	Staff Recommendation	Language	Comments
UNIVERSITY OF CALIFORNIA/CALIFORNIA STATE UNIVERSITY						
8	6440-001-0001	<i>Technical Issue:</i> Revised Language -- Student Academic Preparation	Staff inadvertently submitted a version of language to the committee for approval (at its May 1st hearing) which neglected to include the annual reporting requirement	Adopted Revised BBL	Revised BBL	Technical Issue
9	6440-001-0001 University of California	<i>New Issue:</i> Long Range Development Planning (LRDP) Supplemental Reporting Language	In response to a variety of issues related to UC's LRDP process, the LAO, in conjunction with staff and the UC drafted language to requiring the UC to submit copies of LRDPs and EIRs to the Legislature; report on the use of systemwide enrollment projections and the use of summer session; and report on current and future mitigation measures.	Approve SRL	SRL	Issue previously heard by committee on May 1st
10	6440-001-0001 University of California	<i>New Issue:</i> Additional Funding for California State Summer School for Math and Science (COSMOS)	Current year funding for COSMOS is \$1.6 million; which represents a 46 percent decline from its peak funding level of \$3 million in 2000-01.	Augment program by \$500,000	No	New Issue
11	6440-001-0001 University of California	<i>New Issue:</i> Targeting of Employee Compensation Funds	Addition of Budget Bill Language that would specify that funds appropriated in the current year be directed to increase low wage worker salaries at the three UC campuses with the highest cost of living.	Approve Budget Bill Language	BBL	New Issue
12	6610-001-0001	<i>Technical Issue:</i> Revised Language -- Nursing Enrollment Growth	Staff inadvertently submitted a version of budget bill language to the committee (for approval at its May 18th hearing) which failed to clarify that nursing student funded outside of the 2.5 percent enrollment growth should not be counted toward CSU's total enrollment numbers.	Adopted Revised BBL	Revised BBL	Technical Issue

#	Item	Issue	Description	Staff Recommendation	Language	Comments
13	6610-001-0001 California State University	<i>New Issue:</i> Physical Master Plan Supplemental Reporting Language	In response to a variety of issues related to CSU's long range planning process, the LAO, in conjunction with staff and the CSU drafted language to requiring the CSU to submit copies of their campus Physical Master Plans and EIRs to the Legislature; report on the use of systemwide enrollment projections and the use of summer session; and report on current and future mitigation measures.	Approve SRL	SRL	Issue previously heard by committee on May 1st
14	6440-301-6048 University of California	<i>January Budget:</i> Capital Outlay, Santa Cruz Campus Projects	Governor's Budget includes funding from the 2006 General Obligation Bond for four projects on the Santa Cruz campus (McHenry Project; Digital Arts Facility; Infrastructure Improvements; and Biomedical Sciences).	Approve four Capital Projects, as budgeted, and adopt Supplemental Reporting Language expressing intent of legislature that meaningful mitigation of off-campus impacts will be achieved	SRL	Issues previously heard by subcommittee on May 1st
15	6440-005-0001	<i>January Budget:</i> Institutes for Science and Innovation	Governor's budget provides an augmentation of \$15 million for the ongoing support of these four Institutes	Deny augmentation	No	Issue previously heard by committee on March 27th
16	6440-001-0001 University of California	<i>January Budget:</i> Petascale Supercomputing Facility	Governor's budget provides \$5 million augmentation to make the UC "more competitive" in its bid for the development and management of the next supercomputing facility	Deny augmentation	No	Issue previously heard by committee on March 27th
17	6440-001-0001 University of California	<i>New Issue:</i> UC Statewide Agricultural Research	Governor's budget fails to provide additional funding for statewide research related to agriculture -- an industry of critical importance to the state.	Staff recommends that \$1.5 million (derived from the above-noted reduction) be redirected to statewide agriculture research.	Yes	New Issue

#	Item	Issue	Description	Staff Recommendation	Language	Comments
18	6440-001-0001 University of California	<i>New Issue:</i> UC Oceanographic Research	The Governor's budget fails to provide additional funding for oceanographic research conducted through the UC.	Staff recommends that \$1.5 million be redirected to the Scripps Institute of Oceanography.	Yes	New Issue
19	6440-301-0660 University of California	<i>January Budget:</i> Capital Outlay, Energy Biosciences Institute	Governor's Budget proposes \$40 million in lease-revenue bonds for the Energy Biosciences Institute, in conjunction with a ten-year private grant from the BP (formerly British Petroleum) corporation.	Staff recommends appropriating \$5 million lease-revenue bonds for working drawing and the adoption of BBL approving the distribution of the funds pending receipt of the final contractual agreement between BP and the UC by the Legislature.	Revised BBL	Issue previously heard by subcommittee on May 1st
20	6440-301-0660 University of California	<i>January Budget:</i> Capital Outlay, Helios Research Facility	Governor's budget proposes \$30 million in lease-revenue bonds for the Helios solar energy research project. Subsequent to the release of his January Budget the Governor proposed combining this proposal with the Energy Biosciences Proposal (above) for a total \$70 million state	Deny	No	Issue previously heard by subcommittee on May 1st

Reappropriate Funds for After School Education and Safety Evaluation and Contract (Issue 372).

Add Item 6110-493 – Reappropriation, Department of Education.

Notwithstanding Education Code Section 8482.4, \$300,000 from Item 6110-001-0001, Budget Act of 2006 (Chapters 47 and 48, Statutes of 2006), is reappropriated for the purposes specified in Education Code 8483.55(c) and shall be available for encumbrance or expenditure until June 30, 2008 and liquidation until June 30, 2013.

Item 6110-196-0001

Provision X. It is the intent of the Legislature to fully fund the third stage of child care for CalWORKs recipients.

Provision 3. Of the amount appropriated in Schedule (1), \$50,000,000 is available to expand state preschool programs and \$5,000,000 is for wrap-around care ~~pursuant to Chapter 211 of the Statutes of 2006, commencing with Education Code Section 8238.~~ in order to provide direct child care for children in the state preschool program for the portion of each day that is not otherwise covered by services provided as part of the state preschool program.

Provision 5 (e) As required by federal law, the State Department of Education (SDE) shall develop an expenditure plan that sets forth the final priorities for child care. ~~and the reasons therefore if the final priorities are different from those approved in response to the reporting requirement contained in Provision 7(g) of Item 6110-196-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004).~~ This plan shall be submitted to the Department of Finance by February 15 of each year, and funds shall not be encumbered prior to approval of the plan by the Department of Finance.—The SDE shall coordinate with the DSS, the California Children and Families State Commission, and other applicable entities stakeholders ~~identify annual statewide expenditure for quality enhancements which qualify for meeting federal requirements, and shall reference these expenditures in its biennial federal plan or any subsequent amendments.~~ to develop the Child Care Development Fund (CCDF) Plan. By February 1 of the year of the CCDF Plan is due to the federal government, SDE shall release a draft of the Plan. It shall then commence a 30 day comment period which will include at least one hearing and the opportunity for written comments. SDE shall provide the revised CCDF Plan to the chairperson of the committees in each house that considers appropriations and shall provide a report on the plan to the committee of each house that considers the annual Budget Act appropriation, prior to the May budget revision.

Adopt Placeholder Trailer Bill Language that calls on the California Department of Education to require each contracted child care and development program to create a plan for an internal control framework, to submit that plan for review by the Department of Education, and upon approval, to implement their control framework. Specifically, each child care and development program should, at a minimum, include the following components in their internal control framework:

- (1) Development and maintenance of a controlled environment and accountability for achieving specified outcomes.
- (2) Assessment of risk; analyzing operations to determine the risks of improper payments; taking action to address those risk areas and ensure that management decisions are implemented.
- (3) Usage and sharing of timely, relevant, and reliable financial and non-financial information related to improper payments.
- (4) Assessment and tracking of activities over time; identification of additional actions needed to improve program efficiency and effectiveness.

**BUDGET BILL LANGUAGE:
UC STUDENT ACADEMIC PREPARATION PROGRAMS**

Add the following provision to Item 6440-001-0001:

X. Of the funds appropriated in Schedule (1), \$19,300,000 is appropriated for student academic preparation and education programs (SAPEP) and is to be matched with \$12,000,000 from existing university resources, for a total of \$31,300,000 for these programs. The University of California (UC) shall provide a plan to the Department of Finance and the fiscal committees of each house of the Legislature for expenditure of both state and university funds for SAPEP by September 1, 2007. It is the intent of the Legislature that the university report on the use of state and university funds provided for these programs, including detailed information on the outcomes and effectiveness of academic preparation programs consistent with the accountability framework developed by UC in April 2005. It is the intent of the Legislature that the report be submitted to the fiscal committees of each house of the Legislature no later than April 1, 2008.

SUPPLEMENTAL REPORT LANGUAGE FOR LONG RANGE DEVELOPMENT PLANNING

Item 6440-001-0001 – University of California

Long Range Planning. Based on academic goals and projected enrollment levels, each University of California (UC) campus and medical center periodically develops a Long Range Development Plan (LRDP) that guides its physical development – such as land use designations, location of buildings, and infrastructure systems – for an established time horizon. In order to ensure greater legislative oversight over the process used by UC to prepare and implement each plan (as well as the accompanying Environmental Impact Report [EIR]), the university shall provide the Legislature with the following:

- **Copies of Draft LRDPs.** At the time draft LRDPs and draft EIRs are submitted for public review, UC shall provide summaries of these documents – including the campus website where the complete documents can be accessed – to the Joint Legislative Budget Committee. (Before the UC Regents can approve an LRDP and certify its accompanying EIR, a campus must allow time for the public to review and comment on these documents, consistent with the requirements of the California Environmental Quality Act [CEQA].)
- **Systemwide Enrollment Projections.** The UC shall provide systemwide enrollment projections through at least 2020 by March 25, 2008. In its report, the university should explain and justify the assumptions and data used to calculate the enrollment projections. The report shall relate the systemwide enrollment projections to the applicable LRDP for each campus. The report shall be presented to the UC Board of Regents before transmittal to the Legislature.
- **Use of Summer Term.** It is the intent of the Legislature that UC campuses make fuller use of the summer term as a means to accommodate an anticipated increase in the number of students with existing classrooms. The university shall report to the Legislature by March 25, 2008, on its efforts to optimize summer enrollment in comparison to other academic terms. This report shall include data on the number of full-time equivalent and headcount students enrolled (by campus) in summer 2007 compared to the three-quarter average enrollment for the regular 2007-08 academic year. In addition, UC shall discuss specific steps campuses are taking to increase summer enrollments.

- ***Mitigation of Off-Campus Impacts – Current Projects.*** When a campus's enrollment and facilities expand, it can sometimes negatively affect the surrounding environment. Consistent with the requirements of CEQA, it is the intent of the Legislature that UC sufficiently mitigate significant off-campus impacts related to campus growth and development. By March 1 of each year from 2008 through 2012, the university shall report (by campus) on the status of implementation—including implementation dates where applicable—of mitigation measures for significant off-campus impacts identified consistent with the requirements of CEQA, including those that require fair share payments to local agencies. This report shall identify the status of fair share mitigation agreements with and payments to local agencies for mitigation of off-campus impacts that are required in certified EIRs. The report should also list any monetary or equivalent in-kind payments to local agencies made by the campuses for the mitigation of off-campus impacts that do not involve fair share language in CEQA documents and that have been implemented under other arrangements. For those significant off-campus impacts that have been triggered but have not been sufficiently mitigated, the university shall report on what additional steps are being taken to reach resolution.
- ***Mitigation of Off-Campus Impacts – Future Projects.*** New capital projects to be included in the annual budget act from 2008-09 through 2012-13 shall identify any known significant off-campus environmental impacts, as well as specify plans to mitigate such impacts (including efforts to work with local jurisdictions).

Item 6610-001-0001 – California State University

Long Range Planning. Each of the 23 California State University (CSU) campuses periodically develops a physical master plan that is supposed to guide the future development of its facilities—based on academic goals and projected student enrollment levels—for an established time horizon. In order to ensure greater legislative oversight over the process used by CSU to prepare and implement each plan (as well as the accompanying Environmental Impact Report [EIR]), the university shall provide the Legislature with the following:

- ***Copies of Draft Physical Master Plans.*** At the time a draft physical master plan and the accompanying draft EIR are submitted for public review, CSU shall provide summaries of these documents—including the campus website where the complete documents can be accessed—to the Joint Legislative Budget Committee. (Before the CSU Board of Trustees can approve a physical master plan and certify its accompanying EIR, a campus must allow time for

public review and comment on these documents, consistent with the requirements of the California Environmental Quality Act [CEQA].)

- ***Systemwide Enrollment Projections.*** The CSU shall provide systemwide enrollment projections through at least 2020 by March 25, 2008, for the 2008-09 budget year. For physical master plans considering an enrollment ceiling increase, CSU will include 13 years of projected enrollment and discuss how these campus-specific projections relate to the university's systemwide projections. In its report, the university should explain and justify the assumptions and data used to calculate its enrollment projections.
- ***Use of Summer Term.*** It is the intent of the Legislature that CSU campuses make fuller use of the summer term as a means to accommodate an anticipated increase in the number of students with existing classrooms. The university shall report to the Legislature by March 25, 2008, on its efforts to optimize summer enrollment in comparison to other academic terms. This report shall include data on the number of full-time equivalent and headcount students enrolled (by campus) in summer 2007 compared to the regular 2007-08 academic year. In addition, CSU shall discuss specific steps campuses are taking to increase summer enrollments.
- ***Mitigation of Off-Campus Impacts – Current Projects.*** When a campus's enrollment and facilities expand, it can sometimes negatively affect the surrounding environment. In view of the recent decision in *City of Marina v. CSU Board of Trustees*, it is the intent of the Legislature that CSU take steps to reach agreements with local public agencies regarding the mitigation of off-campus impacts related to campus growth and development. By March 1 of each year from 2008 through 2012, the university shall report (by campus) on the status of any negotiations with local agencies for mitigation measures for significant off-campus impacts identified consistent with the requirements of CEQA (including implementation dates where applicable). For each impact, this report shall identify whether an agreement has been reached with local agencies. The report should also list any monetary and non-monetary in-kind payments made by the campus for the mitigation of off-campus impacts identified as unavoidable in the certified EIRs. For those impacts for which there is no agreement, CSU should explain what steps were taken and if any additional steps will be taken to reach an agreement.

6440-001-0001

Provision X

Of the amount appropriated in this item, \$8.6 million is provided for the following:

- (a) Salary increases for custodial personnel at UC campuses. The university shall provide greater salary increases at the three campuses that have the largest wage disparities between UC custodians and custodians employed by community colleges in the same areas.
- (b) Hiring of UC staff for grounds keeping services at any UC campus that currently obtains such services by contract.

6610-001-0001 California State University

Undergraduate Nursing Enrollments

Provision 8(b). Of the amount provided ~~for growth in enrollments pursuant to Provision 7 of this item, the university is provided funding to increase enrollments for baccalaureate degree nursing programs by 340 FTES out of the additional 8,355 FTES required by that provision.~~ in Schedule (1), \$3,600,000 is provided to support the full [state cost of 340 FTES in baccalaureate degree nursing programs in 2007-08. FTES supported with this funding shall not count toward the enrollment reported in Provision 7.](#) On or before May 1, 2008, the CSU shall report to the Department of Finance and the Legislature the number of additional FTES enrolled in these programs [above 2006-07 levels.](#) In the event that CSU enrolls fewer than the 340 additional students for which funding is provided, the funding associated with the enrollment shortfall shall revert to the General Fund. The Director of Finance shall make [any such](#) reversion on or before May 15, 2008.

Supplemental Reporting Language

6440-301-6048 University of California Santa Cruz

A Long Range Development Plan (LRDP) for the University of California (UC), Santa Cruz was adopted by the UC Board of Regents in September of 2006. The LRDP envisions significant new construction and enrollment growth for the UC Santa Cruz campus. The local community, including the City and County of Santa Cruz, has raised significant concerns regarding potential environmental impacts caused by University growth, particularly in the area of water supply, traffic, and housing. The Legislature expects that meaningful mitigation of UC Santa Cruz growth-related off-campus impacts will be achieved, including phased growth plans that assure growth takes place as mitigation measures are implemented. Prior to granting funding requests for future capital projects at the UC Santa Cruz campus, the UC shall demonstrate to the Legislature good faith efforts to ensure that adequate mitigation measures are in place concurrently with the completion of the funded capital project.

6440-001-0001

Provision X

Of the amount appropriated in Schedule (1), Support \$1,500,000 shall be used to support statewide Agriculture research.

Provision X

Of the amount appropriated in Schedule (1), Support, \$1,500,000 shall be used to support research at the Scripps Institute.

6440-301-0660 – For capital outlay, University of California, payable from the
Public Buildings Construction Fund ~~\$70,000,000~~ \$5,000,000

Schedule:

Universitywide:

(1) 99.00.085 – Energy Biosciences Institute – Preliminary plans, and working
drawings ~~\$40,000,000~~ \$5,000,000

Berkeley Campus:

(2) 99.01.260 – Helios Research Facility – Preliminary plans, working
drawings, construction, and equipment ~~\$30,000,000~~
\$0

Amend Provision 1 and Provision 5 of the Item as follows:

Provision

1. The State Public Works Board may issue lease-revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10-b of Division 3 of Title 2 of the Government Code to finance ~~all phases~~ the working drawings phase of the project authorized by this item no sooner than 60 days after the completed, signed agreement between the University and BP related to the Energy Biosciences Institute is submitted to the Department of Finance and the Joint Legislative Budget Committee for approval. In no event shall the State Public Works Board issue lease-revenue bonds, notes, or bond anticipation notes for this project without written authorization by the Department of Finance and the Joint Legislative Budget Committee.

5. Funding in Schedule (1) of this item would not be available unless ~~either the University of California at Berkeley or the University of California at San Diego~~ is successful in winning the British Petroleum (BP) Energy Biosciences Institute Research grant. ~~The scope and cost will be defined by the State Public Works Board after the grant is awarded.~~